

USAWC STRATEGY RESEARCH PROJECT

**EAST ASIA SUMMIT: STEPS TOWARD COMMUNITY TO PREVENT
GREAT POWER HEGEMONY AND IMPLICATIONS FOR U.S. POLICY**

by

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ABSTRACT

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There is a growing sense of *community* in East Asia. This represents a reaction to a history of great power domination, increasing globalization, and economic integration. With its vast market potential and production capacity, China has made decisions favoring market-driven liberalization while it emerges as a growing economic and political power. Suspicions are naturally raised regarding its ultimate intentions – partnership in the global community or regional hegemony. The United States has not been actively engaged in the significant changes taking place in East Asia, relying instead on bilateral security arrangements while pursuing more immediate interests in the war on terror. Facing the growing influence of China and India, political leaders within East Asia have cautiously developed various multilateral forums for responding to regional issues. The ASEAN-led East Asia Summit of December 2005 was an overt first step toward the notion of an *East Asian Community* led by small powers. While a true regional community similar to the European Community remains somewhat distant and uncertain, the United States must become more involved in regional diplomacy, or risk losing influence there. Meanwhile, contemporary changes in East Asia appear to make realization of an East Asian Community a distinct possibility.

EAST ASIA SUMMIT: STEPS TOWARD COMMUNITY TO PREVENT GREAT POWER HEGEMONY AND IMPLICATIONS FOR U.S. POLICY

There is a growing sense of *community* in East Asia. This represents a reaction to a history of great power domination, increasing globalization and economic integration, and the mutual dependence of the states within the region in addressing common problems. The vast market potential of the Peoples' Republic of China, as well as its enormous capacity for production, have resulted in the Chinese government making deliberate decisions in favor of reform and market-driven liberalization in many of its economic endeavors. As China emerges as an economic and political power, it is gaining great influence in East Asia and around the globe. Suspicions are naturally raised regarding its ultimate intentions – partnership in the global community, or hegemony over the region. The United States has not been actively engaged in the significant and complex changes taking place in East Asia. The U.S. approach to East Asia continues to be reliance primarily on various bilateral security arrangements and trade agreements from decades past, while it pursues more immediate interests in the war on terror. Facing the rapid emergence of China and India as influential economic powers, and the strong alliances of the United States with Japan and South Korea, political leaders within East Asia have cautiously developed various multilateral forums for responding to regional issues. The most significant and enduring of these has been the Association of South East Asian Nations (ASEAN). The ASEAN-led East Asia Summit of December 2005 was an overt first step directed toward the notion of an *East Asian Community* led by small powers. The Summit included states from outside East Asia (India, Australia, New Zealand), a prudent move to prevent domination and bilateral hostility between great powers China and Japan, thus allowing ASEAN states to control the agenda. While a true regional community similar to the European Community is still somewhat distant and uncertain, the United States must seek to become more involved in the region from a multilateral perspective, or risks losing influence over East Asian affairs. Meanwhile, contemporary changes in East Asia appear to make the idea of an East Asian Community a distinct possibility.

United States Involvement in East Asia: History and Contemporary Interests

The United States has been an Asia-Pacific power for over a century, and has long viewed Asia as a vast market for trade and a source of raw materials. Early direct political involvement in the internal affairs of East Asian states included the opening of Japan to foreign trade, intervention in the Boxer Rebellion in China, and the annexation of the Philippines in 1898. The United States and the European great powers worked in conjunction with Japan for

an extended period of time, including intervention in the Boxer rebellion, the League of Nations (but US was not a member), and the Washington and London Naval Treaties of 1922 and 1930. Internal changes within Japan resulted in an increasingly militant foreign policy and the subsequent invasion of Manchuria in 1931. Relations between the western powers and Japan degenerated after this, culminating in all out war with the Japanese empire during the course of World War Two.

United States interests in East Asia soon coalesced around the Cold War strategy of containing the Soviet Union, its perceived client states, and the communist threat to other states in the region. The United States became heavily involved in the Korean and Vietnamese conflicts in an effort to contain the spread of communism in East Asia. The end of the Cold War has generated inquiry among policy makers and analysts as to the interests of the United States in East Asia today, and the role it should undertake in the future of East Asia.¹

The United States invested heavily in the industrial rebirth of Japan after the devastation of the Second World War. Continued investment in East Asia transformed the partnership between the U.S. and its allies into “a capitalist bulwark against the Soviet Union and Mao’s China.”² Continuing Cold War tensions led Washington into a number of bilateral security arrangements and alliances which remain in effect today.

Formal multilateral security arrangements have a mixed record in East Asia. Following the successful creation of the North Atlantic Treaty Organization in Europe, the United States helped establish the Southeast Asia Treaty Organization (SEATO). This organization withered under the stress of the U.S. war in Vietnam and was dissolved in 1977.³ In 1971, the United Kingdom, Australia, New Zealand, Malaysia, and Singapore established the Five Power Defence Arrangements in response to decolonization and resulting tensions between Indonesia and Malaya. This pact continues today, having been reaffirmed by the Defense Ministers of these nations in 2004 who noted its relevance to the contemporary security challenges facing the region.⁴

The primary security alliances of the United States in the region today include: (1) the U.S. – Philippines Mutual Defense Treaty of 1951; (2) the 1951 ANZUS pact with Australia (New Zealand has not been part of the pact since 1985 due to its stand on nuclear weapons); (3) the U.S. - Republic of Korea Mutual Defense Treaty dating from 1954; (4) the U.S.-Thailand Alliance, dating from the 1954 Manila Pact establishing the now defunct SEATO (the Thanat-Rusk communiqué of 1962 recommitted both states to mutual defense); and (5) the U.S.-Japan Treaty of Mutual Cooperation and Security, dating from 1960.⁵ The Taiwan Relations Act of 1979 affirms the commitment of the United States to a peaceful settlement of the future of

Taiwan and allows provision of weapons for Taiwan's self-defense, but does not clearly resolve the ambiguity of U.S. policy toward the ultimate issue of armed intervention on behalf of Taiwan.⁶

These alliances have had the practical effect of subjecting actions and relationships of the states in the region to the wishes and policies of the great powers,⁷ thereby inhibiting intra-regional development and cooperation.⁸ It appears that the notion of an East Asian Community is driven in part by a desire to establish a security regime that is not dictated by the great powers.

The end of the Cold War led Washington to reassess its vision and security strategy for East Asia. The East Asia Strategy Reports were produced in 1990, 1992, 1995, and 1998.⁹ No similar report has been issued by the administration of President George W. Bush, but members of the Department of State have set forth, in testimony before Congressional committees and speeches before interested parties, a coherent and consistent message of U.S. policy interests in East Asia. These policy goals are derived from the 2002 *National Security Strategy of the United States*.

From a broad perspective, the President has expressed in the *National Security Strategy* (NSS)¹⁰ a commitment to human rights, political and economic freedom, self-determination, and a balance of power that favors human freedom. The NSS provides little specific guidance on Asia-Pacific affairs, but does mention China in the context of a "great power" and welcomes the emergence of a "strong, peaceful, and prosperous China."¹¹ The NSS also recognizes Indonesia for taking courageous steps to create a democracy and respect for the rule of law,¹² reiterates the importance of U.S. alliances with Australia, Japan, Korea, Thailand, and the Philippines, and expresses appreciation for assistance provided by Singapore and New Zealand in the war against terrorism.¹³

Specific U.S. policy interests in East Asia have been articulated by various Department of State officials. These goals fully support the President's vision articulated in the 2002 National Security Strategy of the United States, and include: (1) promotion of democracy and human rights; (2) economic growth and prosperity; (3) peace and regional stability; (4) rejection of radical Islam and assistance in combating terrorism; (5) a peaceful and prosperous partnership with China; (6) non-proliferation of weapons of mass destruction; (7) assistance fighting international crime and drug trafficking; and (8) environmental preservation and disease prevention. Implicit in these interests are the peaceful reunification of Korea and the peaceful resolution of the status of Taiwan.¹⁴

The Political Roots of an East Asian Community

A dramatic change appears to be taking place in Asia today. The emergence of China and, to a lesser extent India, as Asian and global economic powers is bringing about a shift in the distribution of power in Asia.¹⁵ Most states of East Asia seem ready to put aside many of the historic animosities and ethnic differences that divide them in favor of the rapid economic growth spurred by globalization. East Asian states have responded to crises within the region with mutual assistance, and there is increasing talk of an East Asian Community among political leaders. This movement toward Community is in contrast to the political history of the region, which has been marked by the successive domination by China, European colonial powers, Japan, and the Cold-War great powers.

Chinese Suzerainty

For sixteen centuries, the dynasties of China dominated most of the region as political overlords in a system of suzerainty.¹⁶ This dominance was challenged and finally ended in the mid-nineteenth century as the powerful states of Europe began seizing and colonizing the region.¹⁷

European Colonization.

Europe's long colonial involvement in East Asia actually began in the seventeenth century with the Spanish conquest of the Philippines, the establishment of Dutch rule in Java, and Russian expansion into eastern Siberia. The British Empire expanded eastward with the takeover of India and the establishment of English rule over the Malay Peninsula and parts of Borneo. While China was defeated by the British in the Opium War of 1839-1842, it was not formally or entirely subjected to British colonial rule. Further conquests by Holland and France resulted in additional colonies: the Netherlands East Indies (Indonesia) and French Indochina (Vietnam, Laos, and Cambodia). With the end of the Spanish-American War, the United States became a colonial power by assuming control over the Philippines and the Marianas in 1898. Siam (Thailand) was caught between British and French rivalry in the region and served as an independent buffer between British Burma and French Indochina. Other than Siam, only China, Korea, and Japan remained independent by the year 1900. With Japan's annexation of Korea in 1910, only Siam, China, and Japan remained politically independent of Colonial rule. European powers were not the only colonizing states in the region, as Korea, Taiwan, and Okinawa were subjected by Japan.

Japanese colonial aspirations grew in the period leading up to the Second World War as Japan attempted to manifest the idea of empire through conquest and creation of the East Asia

Co-prosperity sphere. This plan was destroyed in the Second World War.¹⁸ At the conclusion of World War II and the destruction of the Japanese Empire, the United States contested the notion of its European Allies resuming colonial rule in East Asia. Thus began the period of decolonization.

Decolonization and Independence

Decolonization of East Asia began shortly after the Second World War, but the process took several decades to culminate in the nation-states existing today. The United States initiated decolonization by granting independence to the Philippines. Shortly thereafter India, Pakistan, Ceylon (now Sri Lanka), Burma (or Myanmar), Indonesia, North Korea, and South Korea emerged as independent nation-states. The division of Korea, however, was an anomaly of Cold-War tensions. Over the decades of the 1950s and 1960s, Malaysia, Singapore, Cambodia, and Laos gained independence. Vietnam did also, but was divided by Cold-War struggles into North and South until the final 1975 conquest of the South by North Vietnam. Additional change in the 1970s occurred when East Pakistan broke away from West Pakistan to form Bangladesh.¹⁹

Civil War and Cold War

There are two significant and unresolved matters arising out of the political reorganization of East Asia that followed the Second World War. Both have the potential to destabilize the region and require continuing, careful statecraft. The first major unresolved political issue involves the status of Taiwan. Taiwan embodies the conflict of the Chinese Civil War which ended in 1949 with the Communist controlled People's Republic of China (PRC) on the mainland, and the right wing Nationalists in control of Taiwan.²⁰ Political leaders within East Asia have been able to work around this situation in nearly all matters of economics and politics as will be shown later. The second significant unresolved political issue is the continuing ideological division of Korea along the 38th parallel. This division resulted from U.S.-Soviet Cold War tensions, and was not resolved by the 1950-1953 war. Again, the political leaders of East Asia have demonstrated an ability to pursue regional goals and benefits while working around this division.

During the Cold War there were divisions within East Asia with some (but not all) nations aligning with either the United States or the Soviet Union. China emerged as a third locus of attention during the 1960s due to increased tensions with the Soviet Union dating from the mid-1950s, and a non-aligned movement emerged under the leadership of India and Indonesia. These Cold War rivalries inhibited the growth of regional forums within East Asia. The end of

the Cold War and globalization have resulted in dramatic transformation of contemporary East Asia, and many diplomats in the region see opportunities for the emergence of a more regional outlook. The leadership of the PRC has noted this opportunity as well. In the 1990s, China settled its long-term border conflicts with Russia and Vietnam, and began efforts to settle disputes over the Paracel, Spratly, and Senkaku/Daioyutai Islands.²¹ The political dynamic of the region, in conjunction with dramatic economic growth, is giving rise to the opportunity for forming an East Asian Community.

The Economic Roots of an East Asian Community and the Rise of China

There were substantial changes within international political relations in East Asia during the 1970s. Vietnamese nationalists triumphed in their decades-long struggle against French and American control and influence and achieved the unification of Vietnam, albeit under a communist regime. The United States recognized the People's Republic of China and diplomatic relations were established between the two nations. China also began a remarkable program of economic reform through experimentation with markets and liberalized trade. Political developments such as decolonization and the end of the Cold War have led to an acceleration of the effects of economic globalization in the region. Since 1980, profound changes have taken place within East Asian economies individually, as well as within the region as a whole in an increasingly inter-connected and integrated regional economy.

From 1980 through 2003, intra-regional trade as a share of all trade by East Asian nations rose from 35% to 54%. In comparison, intra-regional trade within the European Union (EU) in 2003 was 64%, and 46% within the North American Free Trade Area (NAFTA).²² This indicates that markets within East Asia are just as advanced and robust as those within the EU and NAFTA. In the same period, East Asia's average annual growth in Gross Domestic Product (GDP) was 9.2%, compared to 5.9% for the rest of the world. Foreign Direct Investment (FDI) in East Asia, as a share of the world's total, rose from 6.6% to 17.3% while FDI in China rose from 1.7% to 9.6% of the world's total.²³

Numerous free-trade agreements (FTA) are either signed or currently in negotiations under the auspices of the Association of South East Asian Nations (ASEAN).²⁴ In November 2002, ASEAN and China signed the "Framework Agreement on Comprehensive Economic Cooperation." This agreement commits ASEAN and China to establish an FTA within a decade. This FTA will encompass 1.7 billion people, making it potentially the globe's largest FTA. In 2003, ASEAN and Japan agreed in principle to an FTA to be completed by 2012. ASEAN, Australia, and New Zealand are committed to an FTA by 2014. ASEAN and South Korea began

negotiations for an FTA in early 2005, which should be completed within two years and aims for partial implementation by 2009. Finally, an ASEAN-India FTA is expected by 2011.²⁵

There are other bilateral FTAs undergoing negotiation within East Asia, including Japanese negotiations with Singapore, the Philippines, and Malaysia.²⁶ Another example of growing economic cooperation within the region is found in the 2003 announcement by China, Japan, and South Korea of a joint declaration on strengthening economic cooperation.²⁷

The United States has important economic relationships within East Asia. Eleven of the top twenty-five U.S. trading partners are located in the greater Asia-Pacific region, including four in East Asia. Japan, China, South Korea, and Taiwan (in that order) are among the top-ten U.S. trading partners.²⁸ Aside from direct U.S. trade in the region, important U.S. allies are dependent on security of critical trade routes through the region, notably the Straits of Malacca.

The Emergence of China: Partner or Hegemon?

The most profound and significant changes in East Asia involve the emergence of China as an economic and political power. In 1979 China initiated a process of modernizing its economy and experimenting with market-driven economic expansion. This process began with the establishment of special economic zones which could receive foreign investment. Since 2002, Asian states have provided 61 percent of China's FDI.²⁹ Most importantly, a substantial amount of trade and investment has occurred between China and Taiwan. Since 1987, citizens of China and Taiwan have been able to travel directly between the two, easing the previous burden of traveling through a third country. Additionally, in 1988 the PRC promulgated a set of 22 measures to encourage investment from Taiwan.³⁰ The trend has been increasing economic interdependence between China and Taiwan. For example the PRC's largest exporter in 2002 was a Taiwanese manufacturer of computer parts.³¹ China's economic growth has ramifications for other East Asian nations as well. In 2002, China became the largest export market for Japan, South Korea, and Taiwan, and was the sixth largest importer in the world.³² Two-way trade between China and ASEAN countries is reported to be increasing at an average rate of 20 percent annually.³³ China's economic growth and consumption are driving trade deficits with its neighbors: \$14.8 billion deficit with Japan; \$23 billion with South Korea; \$16.4 billion with the ASEAN states; and \$40 billion with Taiwan.³⁴ The economic potential in the immense markets of the PRC will continue to encourage trade with China, providing economic benefits to all involved.

China's economic growth is clearly changing relationships in East Asia and around the globe. China is flexing its economic muscle and gaining political influence through bilateral

relations and multilateral cooperation. It appears that China has realized it cannot be focused inward, cut off from the outside world.³⁵ What is not so clear, however, is how China will exercise its growing economic and political influence within the region.

The intentions of China are causing suspicions for some observers. China's emergence as an economic power, with increasing trade and commerce, benefits many in East Asia. There are concerns, however, that China will attempt to consolidate power and influence in the region, challenging the influence the United States has exercised since the end of World War Two.³⁶ An alternative view recognizes that China has taken dramatic and remarkable steps, especially since the Asian financial crisis of 1997, to engage its neighbors and build trust and confidence in the region, thus demonstrating peaceful and benign intentions.

China has become engaged more fully in the multilateral institutions of East Asia. This has been attributed to a report by the Institute of Asia Pacific Studies of the Chinese Academy of Social Sciences in the early 1990s. This report determined that a multilateral security mechanism was inevitable in the Asia-Pacific region, and that Chinese participation would be in the interests of China more than the self-isolation which would result from non-participation.³⁷ The report further noted that ASEAN's suspicions would be aroused by China's non-participation, and that multilateral cooperation could be used as a diplomatic platform for promoting its own foreign policy agenda.³⁸ China consequently has joined or dialogued with numerous regional forums.

China appears to welcome the economic interdependence of East Asia and the broad trends of globalization. China has an ever-growing need for raw materials and energy resources, and requires friendly relations to ensure an uninterrupted supply. In 2003, China became a signatory to ASEAN's Treaty of Amity and Cooperation. China subsequently proposed the creation of an ASEAN Regional Forum Security Policy Conference to be attended by military personnel from the region.³⁹ In October 2003, China and the ASEAN governments declared a "Strategic Partnership for Peace and Prosperity," formalized when China signed ASEAN's Treaty of Amity and Cooperation. The Treaty of Amity and Cooperation renounces the use of force in favor of negotiation and consultation. In deference to security alliances between the United States and some ASEAN nations, the "Strategic Partnership" is declared to be non-aligned, non-military, and non-exclusive.⁴⁰

China is increasingly using "soft" power to exercise influence in the region and alleviate suspicions that a threat originates in China's emerging military and economic power. Soft power advances by China include "early harvest" packages that allow ASEAN access to Chinese markets prior to other World Trade Organization (WTO) members, encouragement for

Chinese companies to invest in the region, infrastructure development assistance to other states, and cooperation in agriculture, communications technology, human resources development, and Mekong River Basin development.⁴¹ China sought energy resources from Indonesia by promising to help build an electric power grid across Indonesia in return for a long-term supply of oil and gas. China has established industrial bases in Laos, Cambodia, and Burma (Myanmar) which manufacture products, using local labor, for export back to China. China has also consented to give a US\$400 million package of grants and loans to the Philippines for the construction of a railway link between Subic and Manila. In addition, China provides technical and scientific cooperation programs target schools and universities in Thailand, Laos, Cambodia, Myanmar, and Vietnam.⁴²

At the ASEAN-China summit in 2001, an agreement was made to focus cooperation on agriculture, information and communications technology, human resources development, Mekong River Basin development, and reciprocal investment.⁴³ In addition to promoting the FTAs discussed previously, China is taking other actions to increase its stature in the region, such as helping Cambodia write off its debts, cooperating with ASEAN on drug trafficking and agricultural development, and working with ASEAN “for its early accession to the protocol to the Treaty on Southeast Asia Nuclear Weapon-Free Zone.”⁴⁴

Some scholars have suggested that China’s intent is the creation of a multi-polar world to balance the United States and the EU. Such a world would entail friendly ties through trade and economic cooperation, political cooperation, and security cooperation.⁴⁵ There has even been discussion of monetary union and an Asia Dollar similar to the Euro.⁴⁶

China’s diplomatic and economic moves throughout East Asia are having both a positive and a detrimental impact on Taiwan. While Taiwan and many of its companies benefit from trade and manufacturing in China, Taipei finds itself further isolated, with less opportunity to conduct its own economic diplomacy with ASEAN.⁴⁷ The United States, while formally recognizing “one-China” and leaving the permanent status of Taiwan to be determined politically, has practiced “strategic ambiguity” with regard to Taiwan by supplying defensive weapons to the island. The United States also sent carrier battle groups to the region when tensions grew prior to elections in Taiwan.⁴⁸ The United States has contributed to the rhetoric of suspicion in such documents as the 2005 annual report to Congress on “The Military Power of the People’s Republic of China,” which speaks of China at a “strategic crossroads” in its pursuit of military modernization and capability.⁴⁹

The Foundation for Multilateral Institutions and Regional Cooperation

There are several regional institutions in East Asia that are engaging in increasingly significant roles in the development of cooperation and a sense of community within the region. These organizations have stepped forward to address problems and crises within the region, and in so doing have helped to reinforce the growing sense of regionalism and community.

The *Association of Southeast Asian Nations* (ASEAN) was formed in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand to promote political and economic cooperation. Brunei joined in 1984, Vietnam in 1995, Laos and Burma in 1997, and Cambodia in 1999. The Bali Treaty, signed by ASEAN heads of state, formalized the principles of peace and cooperation to which ASEAN is dedicated. The Bangkok Declaration that established ASEAN contained just five articles and proclaimed ASEAN to be “the collective will of the nations of southeast Asia to bind themselves together in friendship and cooperation and, through joint efforts and sacrifices, secure for their peoples and for posterity the blessings of peace, freedom, and prosperity.”⁵⁰ ASEAN has developed a distinctive method of conducting business, known as “the ASEAN way.” The ASEAN way consists of decision-making by consensus and demonstrates a preference for informality; it will figure prominently in efforts to establish an East Asian Community.

A broader forum, the *Asia-Pacific Economic Cooperation* (APEC), is not entirely an East Asian institution, but is rather a gathering of regional economies that has many East Asian nations as members. It can play an influential role in the region. APEC began in 1989 in response to the growing interdependence among Asia-Pacific economies. It focuses on trade liberalization, sustainable growth, and equitable development, and has served to promote U.S. foreign policy in Asia. APEC’s current members are Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Taiwan, Thailand, the United States, and Vietnam. There are also three official observers: the ASEAN Secretariat, the Pacific Economic Cooperation Council, and the South Pacific Forum.

The *ASEAN Regional Forum* (ARF) was established in 1993 as an informal grouping of 23 states with the purpose of fostering dialogue and consultation on political and security issues. It is not a collective security organization, but rather a forum for confidence building and preventive diplomacy. In addition to the ASEAN nations, the ARF includes Australia, Canada, China, the EU, India, Japan, Mongolia, Papua New Guinea, Russia, South Korea, North Korea, New Zealand, the United States, Vietnam, and for the first time in 2004, Pakistan.⁵¹ Prior to the establishment of the ARF, there was no region-wide multilateral forum for addressing security

matters. While the United States had important security alliances in the region, the end of the Cold War had altered the threat to the region and the balance of power.⁵² The ARF, however, is not a system of collective security, has no mechanisms for direct conflict management, and has no capacity for autonomous action.⁵³

The Asian financial crisis of 1997-1998 was a catalyst for regional cooperation and joint action among East Asian nations. Subsequent crises such as the terrorist attacks in Indonesia in October 2002 and 2004, the Severe Acute Respiratory Syndrome (SARS) scare of 2003, repeated outbreaks of Avian Flu, and the earthquake and tsunami devastation of December 2004, have reinforced the notion of East Asian states working together to resolve common issues, problems, and threats.⁵⁴

APEC proved ineffective in dealing with the financial crisis. Remedies proposed by the International Monetary Fund (IMF) were viewed by East Asian states with a suspicion that they would prolong and aggravate the crisis. A direct result of this crisis and an ineffective response was the creation of the *ASEAN Plus Three* (ASEAN+3) process. ASEAN+3 linked the ASEAN states with China, Japan, and South Korea, and set out to establish currency and financial arrangements designed to prevent another financial crisis, as well as to dilute the influence of the IMF.⁵⁵

It appears that the ASEAN+3 process was seized upon by China as a way to increase its direct influence in the diplomacy of the region. One Chinese scholar has stated China's goals as follows:

[T]he Chinese leadership hopes to create a multi-polar world, in which the major powers can develop friendly ties with each other and in which non-zero-sum games are the norm. Furthermore, the emergence of regional powers and regional organizations in the developing world will help to bring about a multi-polar order, which is different from the traditional one dominated by a small number of major powers.⁵⁶

Economic relationships throughout East Asia are growing more inter-dependent each year, and the region is proving its ability to cooperate in matters of mutual interest. The East Asia Summit provided the first formal steps toward a true East Asian Community.

East Asia Summit: Initial Steps Toward Community

Leaders of ASEAN states reached agreement at the Bali Summit in 2003 to work for establishment of an ASEAN Community based on three pillars: an ASEAN security community, an ASEAN economic community, and an ASEAN socio-cultural community. This agreement was known as the Bali Concord II.⁵⁷ At the Second East Asia Forum, in Kuala Lumpur on 6

December 2004, Malaysian Prime Minister Abdullah Ahmad Badawi delivered the keynote address on the theme of an East Asian Community. Mr. Badawi stated:

There is no alternative but to take concerted common action in various forms in order to protect and promote the region's prosperity and ensure continuing peace in the East Asian region. Trade and trade related activities had been the driving force for regional cooperation in the past. The way forward must include building blocks for regional integration.⁵⁸

Mr. Badawi continued by proposing the following milestones in the quest for East Asian Community: First, The East Asia Summit; Second, Charter of East Asia Community; Third, East Asia Free Trade Area; Fourth, Agreement of East Asia Monetary and Financial Cooperation; Fifth, East Asia Zone of Amity and Cooperation; Sixth, East Asia Transportation and Communication Network; Seventh, East Asia Declaration of Human Rights and Obligations.⁵⁹

The ambitious nature of an East Asian Community is noteworthy. Mr. Badawi contends that the East Asian Community would be stable and prosperous, making a major contribution to global peace, security, and prosperity. Expansion of ASEAN's existing FTAs and those under negotiation would mean an economic zone of \$6.8 trillion U.S. dollars with a population base exceeding two billion. The Zone of Amity and Cooperation would "guarantee respect for rule of law, sovereignty, territorial integrity, good neighborliness and equality among nations."⁶⁰ In addition, by renouncing use of force, there will be enhanced transparency in security matters, confidence among nations, avoidance of an arms race, and exclusion of weapons of mass destruction from the zone. Furthermore, the East Asian Community will be dedicated to human rights, including the eradication of poverty, adequate food, clothing, and shelter.⁶¹

In July 2005, ASEAN Foreign Ministers finalized the list of invitees to the East Asia Summit. It included all ten ASEAN states (Malaysia, Indonesia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Burma, and Cambodia); the ASEAN+3 states (Japan, China, and South Korea), as well as Australia, India, and New Zealand.⁶² Notably absent was an invitation to the United States as a formal participant. Russia applied to join the summit, but its application was rejected since it lacks substantial relations with the region.

One regional scholar has articulated the "perfect design" for an East Asia Community.⁶³ The Community would perform as a mediator among the powers in Asia, notably between the interests of China, Japan, Korea, Australia, India, and United States. ASEAN presents the logical choice for this endeavor. As the notion of Community takes time to build, implementation of a sustainable security community would be paramount. People-to-people contacts would be established, and states would be encouraged to put aside historic animosities in much the same

way that France and Germany have been able to put aside the historic grievances they have felt toward the other.

Two scholars from the Institute of Defence and Strategic Studies of Singapore have set forth recommendations for regional cooperation in East Asia.⁶⁴ In so doing, they have observed that the East Asia Summit is a *sui generis* institution. They suggest, therefore, that the Summit begin as a confidence building exercise while participants from outside the region, such as Australia and India, adjust to the ASEAN method of conducting business. They also call for multilateral operational strategies that address terrorist threats, an East Asian Free Trade Area (in effect multilateralizing existing bilateral FTAs), addressing energy related sovereignty disputes peaceably, establishing an East Asia Fund for Poverty Eradication, fighting transnational crime, and encouraging the obsolescence of weapons of mass destruction.

Internal Challenges to Establishment of an East Asian Community

There are numerous internal challenges to the establishment of an East Asia Community. These include disputes over boundaries and possession of islands, historic animosities founded in wartime grievances in wars long ago, ethnic differences, and various religious beliefs.

There are lingering boundary and possession disputes in the South China Sea over the Spratly and Paracel islands involving ASEAN states and China. Historic animosities are found in continuing disputes between Japan and South Korea over Dokdo/Takeshima islands and a dispute between Japan and China over the Senkaku/Daioyutai Island.⁶⁵

The relationship between Japan and China is one of historic animosity that has been inflamed in recent months. In November 2005, China proposed that an East Asian Community should be discussed within the framework of ASEAN+3 (Japan, China, South Korea) rather than the sixteen nation East Asia Summit in December. China contends that a greater number of states will lead to a less integrated community. Japan responded that the larger contribution would enhance the open and transparent nature of the regional block. Japan is an important ally of the United States, and hopes that the inclusion of Australia, New Zealand, and India will prevent China from dominating the community.⁶⁶ The relationship between China and Japan, if not carefully managed, has potential to ignite crisis in the region. An East Asian Community that is not dominated by either power can limit the hostility of this relationship to the economic realm.

Likewise, the relationship between Japan and South Korea is one of historic animosity. Despite a series of Japanese apologies since 1972 for its actions during the Second World War,

the visit of Japanese Prime Minister Junichiro Koizumi in 2005 to the Yasukuni shrine, a shrine dedicated to Japan's war dead including a number of convicted war criminals from World War II, inflamed passions in both China and South Korea.⁶⁷

Analyzing the differences between contemporary East Asia and post-war Europe of the 1940s and 1950s reveals another difficulty in the establishment of a true Community. There were factors in Europe that enabled the establishment of a European Community, whereas different circumstances in East Asia today make the undertaking of Community more complicated. In the wake of the Second World War, Europe was largely devastated economically and faced a common and powerful enemy in the Soviet Union. Such a security dilemma highlighted the advantages of Community for the nations of Western Europe. There is no immediate common threat to the states of East Asia today, excepting perhaps spill-over from a conflict on the Korean peninsula, Taiwan, or terrorism. These potential conflicts, however, don't threaten the existence of the East Asian states. Another factor is the geography of East Asia. There are numerous maritime borders and great distances between many of the states. Such an environment tends to be managed differently than the largely land-based environment of Europe. Finally, while Europe was driven into world war on two occasions by nationalism and ideology, there is no pervasive ideological force predisposing East Asia to conflict.⁶⁸

External Challenges to Establishment of an East Asian Community

The dynamics of existing bilateral security arrangements could be viewed as a hindrance to the establishment of an East Asian Community. The security arrangements of the United States and the Five Power Defence Pact were mentioned previously. Such arrangements have a centrifugal effect on the notion of Community, as they potentially pull parties of the Community away from the common purpose of the Community in favor of a bilateral treaty partner outside the Community. In this manner, an argument can be made that the European Union is only possible because defense is provided through the collective efforts of the North Atlantic Treaty Organization (NATO) rather than bilateral alliances. If this notion is true, the bilateral security arrangements of the United States with individual states of East Asia could ultimately counteract the centripetal dynamics needed to sustain a Community and hold it together through crisis.

East Asian Community and U.S. Policy Interests

The aspiration of an East Asian Community and most of the goals set forth by Prime Minister Badawi of Malaysia are certainly within the broad interests of the United States. The overlap between articulated United States interests in the region and the goals for an East Asia Community are significant. These include economic growth and prosperity, regional peace and

stability, the eradication of terrorism, non-proliferation of weapons of mass destruction, respect for the rule of law, respect for and protection of human rights, a peaceful and prosperous partnership with China and other regional powers, and transparency and trust in international relations.

The United States repeatedly articulates an interest in democracy, and eight of the participants in the East Asia Summit are democracies (Australia, India, Indonesia, Japan, New Zealand, the Philippines, South Korea, and Thailand). Five of those democracies are formal treaty allies of the United States. The states of East Asia, however, appear collectively to prioritize stability and security rather than seeking immediate political change within another sovereign state. Stability provides the environment that fosters economic growth. While democracy also fosters economic growth, the process of transition can be painful. Stability and associated economic interdependence should foster the societal infrastructure necessary for the demand for democracy to arise over the long term within the non-democratic states of East Asia.

There are two potential conflicts in East Asia that generate particular interest in the United States. The United States appears to be more overtly concerned with the fate of Taiwan than most states in East Asia. The ASEAN states, however, generally lack the military power to prevent a forcible reunification of the PRC and Taiwan even if they desire to support Taiwan. Growing economic integration between states increases the cost of the economic disruption in regional military conflict and may have a deterrent effect. Economic integration of the states of ASEAN and the other participants to the East Asia Summit, including China, may make military resolution of this issue too costly. The uncertainty, however, is whether China can more easily absorb the costs associated with military conflict than states that rely on a significant and increasing level of trade with China. As states become increasingly dependent on trade China, the PRC will be in a stronger position to forcibly reunite Taiwan with the mainland, and the states of East Asia will be economically coerced into acquiescence.

Likewise, the continuing division of Korea is of great interest to the United States and requires careful negotiation to resolve issues nuclear weapons and political-economic integration. This has proved to be an area where the United States and China share an interest, and may facilitate greater regional cooperation on security matters.

Reforming U.S. Policy in East Asia

The United States should not fear nor be suspicious of an East Asian Community. Close ties between states in a globalized economy will likely reinforce commitment to the norms of

international economic and political systems, making regional conflict less likely. The United States seems intent, however, to maintain a Cold-War system of bilateral alliances and ignore the growing trend of regionalism in East Asia.

The nature of U.S. policy and interest in the region is exemplified by a relative lack of dialogue with ASEAN in comparison to other states. Prime Minister Goh Chok Tong of Singapore made the following observations in a speech to the ASEAN Corporate Conference on June 9, 2005:

Formal ASEAN-India dialogue relations were established in 1995. In ten years since, 14 ASEAN-India mechanisms were established. Formal ASEAN-China dialogues were established in 1996. In nine years since, 27 ASEAN-China mechanisms at different levels have been established. ASEAN-Japan dialogue relations were formalized in 1977. In the 28 years since, 33 ASEAN-Japan mechanisms were established. The U.S.-ASEAN dialogue relationship was formalized at the same time as Japan, almost 3 decades ago. However, there are currently only 7 ASEAN-U.S. bodies and they meet only infrequently.⁶⁹

If critics are concerned that the United States was not invited to the East Asia Summit, an analysis of lost opportunities to converse with the region as a whole through ASEAN may partly explain why. One recent example of lost opportunity prior to the East Asia Summit was the absence of U.S. Secretary of State Condoleezza Rice at the July 2005 ASEAN Regional Forum (ARF). Secretary Rice was the first U.S. Secretary of State to miss an ARF since 1982.⁷⁰

As East Asian nations implement and negotiate an increasing number of free trade agreements, the United States has only one FTA in the region, with Singapore, and is in the process of negotiating another with Thailand.⁷¹ This in spite of the importance of our trade relations in the region, with 11 of our top 25 trading partners residing in the region. Singapore is the United States' eleventh largest trading partner, and Thailand is twenty-fourth.⁷²

The United States relies heavily upon a defense alliance with Japan in matters of East Asian security. The 2002 *National Security Strategy* calls on the U.S.-Japan alliance to be the center of the U.S. alliance structure in East Asia.⁷³ Japan has proven to be a loyal ally for a prolonged period of time, and this alliance must be protected because it contributes to East Asian security in two particular ways. First, the alliance naturally checks any ambition China may have to dominate the region. Secondly, the security provided by the United States, in conjunction with Japan's pacifist Constitution, provides reassurance to other states in the region fearful of an armed and militant Japan.⁷⁴

United States interests also require a strong relationship with India.⁷⁵ The United States recognizes India as a rising global power; within the next twenty years it will be among the world's five largest economies, have the world's largest population, and possesses a large,

skilled workforce with increasing economic influence.⁷⁶ India is also increasing the size and capabilities of its military.⁷⁷ Given the congruence of interests and values between the United States and India as large, multi-ethnic democracies, the two nations have partnered in military exercises and begun numerous initiatives designed to foster bilateral cooperation.⁷⁸ India acts in its own interests, however, and while it is a partner with the United States in such things as the ten-year defense agreement signed on 29 June 2005, it seeks its own interests in such endeavors as its “strategic partnership for peace and prosperity” with China, signed 11 April 2005. It appears that India prefers a multi-polar world, just as China, and will seek to balance U.S. influence in the region.

The United States must maintain its current security alliances with Japan, South Korea, Australia, the Philippines, and Thailand. While the United States has annual US-ASEAN dialogue, it is not a participant in the increasingly influential ASEAN+3 process, nor a formal participant in the East Asia Summit. China is exercising increasing economic influence in East Asia, and U.S. trade with China is growing rapidly as well. China cannot be ignored as it influences the ASEAN+3 grouping. Consequently, the United States must act diplomatically to engage this potential peer competitor within the region with the capability of interfering with the sea lanes of communication or U.S. alliances.⁷⁹ An East Asian Community led by ASEAN states, with active participation by U.S. allies Japan, South Korea, Australia, the Philippines, and Thailand, and probably India, can potentially assist in stabilizing the region and limiting Chinese influence. Just as the United States was willing to accept the ARF when it realized that the Forum would not affect alliances with Japan and South Korea,⁸⁰ the United States should realize the benefits of its close allies participating in the cooperative framework of an East Asian Community.

Secretary of State Condoleezza Rice has expressed concerns about an East Asia Summit that is “exclusive” and “inward looking.”⁸¹ While it is true that the Summit is somewhat inward looking, the participation of Australia, New Zealand, and India demonstrates that the ASEAN leaders setting the agenda are open to influence from partners not immediately within East Asia, and have withstood the criticism for doing so. Additionally, ministers at the ASEAN Ministerial Meeting in Vientiane in July 2005 committed to keeping the East Asia Summit “open, outward looking and inclusive with ASEAN being the driving force.”⁸² This declaration, with the participation of states from outside East Asia, is significant for United States interests since important U.S. allies will be at the negotiating table in future summits. The inclusion of China in any regional forum has become inevitable given the economic interdependence of East Asian economies, but the presence of Japan and South Korea, each with its own agenda, should

prevent Chinese domination. ASEAN states will have to maintain the leadership role, as domination by China, Japan, or South Korea would be unacceptable to the others.

A significant announcement of U.S. policy regarding China was recently and subtly introduced by Deputy Secretary of State Robert Zoellick. In a 21 September 2005 speech, and then in a December interview with *The Australian*, Zoellick sets forth a China policy of engagement, attempting to bring China into a responsible partnership within the international order.⁸³ An approach to China that is not premised on suspicion is welcomed, and is consistent with the notion that security can be achieved and peaceful development enhanced by wrapping China in a web of multilateral economic, political, and security relationships.⁸⁴ However, prudence and commitments to Taiwan require that the United States continue to plan for any contingency arising from Chinese coercion of Taipei.

Conclusion

East Asia is changing in ways that were inconceivable a just a few decades ago, and a movement toward Community is taking shape. While it may not happen immediately, and it may not be structured in the same manner as the European Community, an East Asian Community is the logical result of the convergence of history, changing political and economic relationships, and globalization. Small states, acting collectively through ASEAN, have managed to bring the larger powers together on terms dictated by the ASEAN states, for discussions dictated by the ASEAN states, and for goals determined by the ASEAN states to be in the interests of the region as a whole.

While the political and economic influence of the United States, China, India, and Japan and others will continue to be felt, the large powers cannot unilaterally determine the course of events within the region. An East Asian Community may be the multilateral institution that elevates common interests of the region over parochial interests of a few states, and institutionalizes political and economic relationships that become too important to disrupt with conflict. The United States should be interested in an East Asian Community that is economically oriented and provides security through economic relationships more than collective defense. Given the general lack of expeditionary military capability of most East Asian states, it is possible that the United States will be able to maintain its bilateral security arrangements without detrimental effect on the economic relationships within an East Asian Community.

In summary, the United States should support the creation of an East Asian Community that is open and non-exclusionary, does not undermine existing alliances, and contributes to

regional security, stability, and prosperity⁸⁵. U.S. interests in fighting terrorism, peacekeeping, disaster relief, maritime security, eradication of poverty, and environmental problems all seem well-suited to a multilateral approach. The United States has important allies in the region, and we are bound with them through treaty and common interests. An East Asian Community could serve to neutralize a hegemonic China through economic interdependence. As presented by the initial steps of the East Asia Summit, the emerging Community threatens no significant U.S. interest, contributes to the achievement of many of those interests. The East Asian Community should be welcomed.

Endnotes

¹ William T. Tow, *Asia-Pacific Strategic Relations: Seeking Convergent Security* (Singapore: Green Giant Press, 2001), 171-172.

² Mark Beeson and Mark T. Berger, "The Paradox of Paramountcy: Regional Rivalries and the Dynamics of American Hegemony in East Asia," *Global Change* 15, no. 1 (February 2003): 32.

³ Andrew Scobell and Larry M. Wortzel, *The Asia-Pacific in the U.S. National Security Calculus for a New Millennium*, (Carlisle, PA.: The Strategic Studies Institute, 2000), 11-12.

⁴ Damon Bristow, "The Five Power Defence Arrangements: Southeast Asia's Unknown Regional Security Organization," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 27, no. 1 (2005) 1-2. Andrew Scobell and Larry M. Wortzel, writing for the Strategic Studies Institute of the U.S. Army War College in 2000, discounted the relevance of the FPDA in light of the hostility between Singapore and Malaysia; see Scobell and Wortzel, 12. (the shorthand form you use later for this reference) Subsequent world events and the global war on Islamic extremism have reinvigorated the Pact with renewed commitments by all states involved.

⁵ United States Information Agency, "Fact Sheet: U.S., Asia-Pacific Security Alliances," (Washington, D.C.: U.S. Government Printing Office, 1998); available from <http://usinfo.state.gov/journals/itps/0198/ijpe/pj18fact.htm>; Internet; accessed 30 August 2005.

⁶ See note 47 for a brief summary of U.S. policy on Taiwan.

⁷ The term "great powers" is being used here to refer to the traditional colonial powers, Great Britain and France, as well as the United States and the Union of Soviet Socialist Republics as the primary antagonists of the Cold War, and the People's Republic of China, which has been an influential power in the region for centuries. With the accelerating economic development of India, one could conceivably designate it as a great power as well. Australia is a military and economic power as well, and has been one of the most dependable allies of the United States and Great Britain.

⁸ Ibid., 33.

⁹ United States Department of Defense, *The United States Security Strategy for the East Asia-Pacific Region 1998* (Washington, D.C.: U.S. Government Printing Office, 1998), 5.

¹⁰ George W. Bush, *National Security Strategy of the United States* (Washington, D.C.: The White House, 17 September 2002).

¹¹ Ibid., 27.

¹² Ibid., 10.

¹³ Ibid., 26.

¹⁴ There is a striking consistency in statements of officials from the U.S. Department of State. Statements made during overseas visits by U.S. Secretary of State Condoleezza Rice and former Secretary Colin Powell set forth the U.S. vision for the world. There are many press briefings available at the U.S. Department of State web-site at <http://www.state.gov>. A few of the important statements include (1) Secretary of State Condoleezza Rice, "Press Briefing on the President's Visit to China," Beijing, People's Republic of China, November 20, 2005; available from <http://www.state.gov/secretary/rm/2005/57412.htm>; Internet; accessed 13 February 2006; (2) Secretary of State Condoleezza Rice, "Remarks With Defense Secretary Donald Rumsfeld, Japanese Minister of State for Defense Yoshinori Ohno, and Japanese Foreign Minister Nobutaka Machimura," Washington, D.C., October 29, 2005; available from <http://www.state.gov/secretary/rm/2005/55775.htm>; Internet; accessed 13 February 2006; (3) Secretary of State Colin Powell, "No Country Left Behind," Reprinted from *Foreign Policy* magazine, January-February 2005; available from <http://www.state.gov/secretary/former/powell/remarks/2005/40800.htm>; Internet; accessed 13 February 2006; (4) Secretary of State Colin Powell, "Press Briefing in Beijing, China," Beijing, People's Republic of China, October 25, 2004; available from <http://www.state.gov/secretary/former/powell/remarks/37360.htm>; Internet; accessed 13 February 2006. A more recent statement on environmental policy is by Secretary of State Condoleezza Rice, "Asia-Pacific Partnership On Clean Development and Climate," Washington, D.C., February 9, 2006; available from <http://www.state.gov/secretary/rm/2006/60858.htm>; Internet; accessed 13 February 2006.

State Department officials have articulated U.S. policy in the following statements: (1) Eric G. John, Deputy Assistant Secretary, East Asian and Pacific Affairs, *"The United States and Southeast Asia: Developments, Trends, and Policy Choices,"* Statement before the House International Relations Committee, Subcommittee on Asia and the Pacific, Washington, D.C., 21 September 2005; available from <http://www.state.gov/p/eap/rls/rm/2005/53683.htm>; Internet; accessed 21 November 2005; (2) Christopher R. Hill, Assistant Secretary for East Asian and Pacific Affairs, *"Emergence of China in the Asia-Pacific: Economic and Security Consequences for the U.S.,"* Testimony before the Senate Foreign Relations Committee, Subcommittee on East Asian and Pacific Affairs, Washington, D.C., 7 June 2005; available from <http://www.state.gov/p/eap/rls/rm/2005/47334.htm>; Internet; accessed 30 August 2005; (3) Evans J.R. Revere, Acting Assistant Secretary for East Asian and Pacific Affairs, *"The Bush Administration's Second-Term Foreign Policy Toward East Asia,"* Remarks to Center for Strategic International Studies (CSIS) Conference, Washington, D.C., 17 May 2005; available from <http://www.state.gov/p/eap/rls/rm/2005/46420.htm>; Internet; accessed 30 August 2005; (4) Evans J.R. Revere, Principal Deputy Assistant Secretary for East Asian and Pacific Affairs, *"U.S. Foreign Policy Priorities and the East Asia-Pacific Region,"* Remarks to the Baltimore Council on Foreign Affairs, Baltimore, Maryland, 3 May 2005; available from

<http://www.state.gov/p/eap/rls/rm/2005/45754.htm>; Internet; accessed 30 August 2005; (5) Evans J.R. Revere, Acting Assistant Secretary for East Asian and Pacific Affairs, *"U.S. Interests and Strategic Goals in East Asia and the Pacific,"* Testimony before the Senate Foreign Relations Committee, Washington, D.C., 2 March 2005; available from <http://www.state.gov/p/eap/rls/rm/2005/42900.htm>; Internet; accessed 30 August 2005; (6) Lauren Moriarty, U.S. Senior Official for APEC, *"Advancing Prosperity and Security in the Asia-Pacific Region,"* Remarks to Asia Society's "APEC Breakfast Meeting," New York, New York, 1 December 2004; available at <http://www.state.gov/p/eap/rls/rm/2004/39297.htm>; Internet; accessed 30 August 2005; (7) James A. Kelly, Assistant Secretary of State for East Asian and Pacific Affairs, *"An Overview of U.S.-East Asia Policy,"* Testimony before the House International Relations Committee, Washington, D.C., 2 June 2004; available from <http://www.state.gov/p/eap/rls/rm/2004/33064.htm>; Internet; accessed 30 August 2005.

¹⁵ Francis Fukuyama and G. John Ikenberry, "Report of the Working Group on Grand Strategic Choices," The Princeton Project on National Security; available from <http://www.wps.princeton.edu/ppns/conferences/reports/fall/GSC.pdf>; Internet; accessed 30 November 2005.

¹⁶ A "suzerain" is defined as a dominant state exercising varying degrees of control over a vassal state with regard to its foreign relations but allowing it sovereign authority in its internal affairs. *Webster's Third New International Dictionary of the English Language Unabridged* (Springfield: Merriam-Webster, 1993).

¹⁷ Scobell and Wortzel, 3.

¹⁸ John Miller, "The Roots and Implications of East Asian Regionalism," *Occasional Paper Series*, Asia-Pacific Center for Security Studies (September 2004): 2

¹⁹ *Ibid.*, 2-3.

²⁰ Leopoldo Lovelace, Jr., "Is There a Question of Taiwan in International Law," *Harvard Asia Quarterly* 4 (Summer 2000): 3.

²¹ Jean A. Garrison, "China's Prudent Cultivation of 'Soft' Power and Implications for U.S. Policy in East Asia," *Asian Affairs: An American Review* 32, no. 1 (Spring 2005): 26.

²² Denis Hew, "Defacto Economic Integration in East Asia," paper presented at the Forum on "East Asian Integration: Reality and Vision," Seoul, Korea, 1-2 September, 2005 (Institute of Southeast Asian Studies, Singapore) 1; available from [http://www.kiep.go.kr/inc/download.asp?fnm=\(2005-08-29-186114290074006\)%20Denis%20Hew.pdf](http://www.kiep.go.kr/inc/download.asp?fnm=(2005-08-29-186114290074006)%20Denis%20Hew.pdf); Internet; accessed 30 November 2005.

²³ *Ibid.*, 2.

²⁴ The Association of Southeast Asian Nations (ASEAN) was formed in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand to promote political and economic cooperation, and regional stability. Brunei joined in 1984 after its independence from the United Kingdom. Vietnam joined in 1995. Laos and Burma joined in 1997. Cambodia joined in 1999. ASEAN will be discussed in more detail later in this paper.

²⁵ Hew, 3-6.

²⁶ Zhang Yunling, "Emerging New East Asian Regionalism," *Asia-Pacific Review* 12 (May 2005): 57.

²⁷ Ibid.

²⁸ U.S. Department of State trade figures through 2004; available from <http://www.state.gov>; Internet; accessed 30 November 2005.

²⁹ Garrison, 27.

³⁰ Marion Chyun-Yang Wang, "Greater China: Powerhouse of East Asian Regional Cooperation," *East Asia: An International Quarterly* 21, no. 4 (Winter 2004): 40. These measures guaranteed that Taiwan's and Hong Kong's establishments would not be nationalized, that their exports would be exempt from export tariffs, and that their management could have complete autonomy in running their firms in mainland China.

³¹ Ibid., 42.

³² David G. Brown, "China and the Changing Regional Security Environment," outline of presentation for the Global Governance in the Light of New Security Developments conference, Taipei, November 30 – December 1, 2003.

³³ Garrison, 27.

³⁴ Ibid., 29.

³⁵ Sharif Shuja, "The Limits of Chinese Economic Reform," *China Brief: A Journal of Analysis and Information* 5, no. 17 (August 2, 2005): 8

³⁶ Scobell and Wortzel, 3.

³⁷ Kuik Cheng-Chwee, "Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 27, no. 1 (2005): 106.

³⁸ Ibid., 106-7.

³⁹ Ibid., 111.

⁴⁰ Kusuma Snitwongse, "Old Challenges and New Developments in Pacific Security: Southeast Asian Issues: US and Southeast Asia;" available from <http://www.inpr.org/tw/attachment/kusuma.pdf>; Internet; accessed 30 November 2005.

⁴¹ Ibid., 113; see also Wang, 48, and Jean A. Garrison, "China's Prudent Cultivation of 'Soft' Power and Implications for U.S. Policy in East Asia," *Asian Affairs: An American Review* 32, no. 1 (Spring 2005).

⁴² Eric Teo Chu Cheow, "China's Economic Advances in ASEAN-China Relations," Asia-Pacific Security Forum, 13-14 October 2005; available from <http://www.inpr.org.tw/attachment/teo.pdf>; Internet; accessed 30 November 2005.

⁴³ Ibid., 48.

⁴⁴ Ibid., 49.

⁴⁵ Ibid., 117-8; see also Wang, 47.

⁴⁶ Wang, 53.

⁴⁷ Chwee, 113.

⁴⁸ In October 1971, the United Nations General Assembly expelled the Republic of China (Taiwan) from that body, shifting the official representation of China to the Peoples Republic of China (PRC). Shortly thereafter, U.S. President Richard Nixon visited the PRC in February, 1972. This was the first step toward diplomatic relations between these two nations.

On February 28, 1972, the two nations released a document that has come to be known as the *Shanghai Communiqué*. This document contains the following language:

The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves.

The United States and the PRC had advanced by late 1978 to the point of establishing formal diplomatic relations, and were preparing for the exchange of ambassadors. On December 15, 1978, the two nations released what is known as the *Joint Communiqué on the Establishment of Diplomatic Relations*. It recites that the U.S. and the PRC had agreed to establish diplomatic relations as of January 1, 1979, and that they would exchange ambassadors on March 1, 1979. Of continuing importance to the China-Taiwan issue, this *communiqué* contains the following language:

The United States of America recognizes the Government of the People's Republic of China as the sole legal Government of China. Within this context, the people of the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan. The Government of the United States of America acknowledges the Chinese position that there is but one China and Taiwan is part of China.

The U.S. Congress promptly passed the Taiwan Relations Act, enacted on April 10, 1979. The Act begins with Congressional findings of the necessity of maintaining peace, security, and stability in the Western Pacific, as well as a finding that U.S. foreign policy is promoted by continuation of commercial, cultural, and other relations between the people of the U.S. and the people of Taiwan. The Act then declares the policy of the United States as follows:

- (1) to preserve and promote extensive, close, and friendly commercial, cultural, and other relations between the people of the United States and the people on Taiwan, as well as the people on the China mainland....

- (2) to declare that peace and stability in the area are in the political, security, and economic interests of the United States....
- (3) ...the expectation that the future of Taiwan will be determined by peaceful means;
- (4) to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States;
- (5) to provide Taiwan with arms of a defensive character; and
- (6) to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people of Taiwan.

The Taiwan Relations Act implements the declared policy by providing “defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.” Continuing arms sales to Taiwan, and the concern generated in China, led to the third *Communiqué* in 1982. The *Joint Communiqué on Arms Sales to Taiwan* states:

The question of United States arms sales to Taiwan was not settled in the course of negotiations between the two countries on establishing diplomatic relations. The two sides held differing positions, and the Chinese side stated that it would raise the issue again following normalization. The Chinese Government reiterates that the question of Taiwan is China’s internal affair. [T]he United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan....[I]t (the United States) intends gradually to reduce its sales of arms to Taiwan, leading, over a period of time, to a final resolution.

This *Communiqué* also notes that both sides continue to be governed by the previous *Communiqués*, and that they respect each other’s sovereignty, territorial integrity, and non-interference in each other’s internal affairs.

⁴⁹ U.S. Department of Defense, *The Military Power of the People’s Republic of China 2005* (Washington, D.C.: U.S. Government Printing Office, 2005).

⁵⁰ Begi Hersutanto, “Prospect for East Asia Community: Security Perspective,” (International Relations Paper Series: paper presented at Reitaku University, Japan, 27 October, 2005): 7-8; available from http://www.csis.or.id/publications_paper_view.asp?id=60&tab=0; Internet; accessed 29 November 2005.

⁵¹ Ralph Cossa, “US Security Strategy in Asia and the Prospects for an Asian Regional Security Regime,” *Asia-Pacific Review* 12, no. 1 (May 2005): 80. See also, Maria Consuelo C. Ortuoste, “Reviewing the ASEAN Regional Forum and its Role in Southeast Asian Security,” *Occasional Paper Series*, Asia-Pacific Center for Security Studies (February 2000): 1.

⁵² Dominik Heller, "The Relevance of the ASEAN Regional Forum (ARF) for Regional Security in the Asia-Pacific," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs* 27, no. 1 (2005): 135.

⁵³ Ibid., 138.

⁵⁴ Fu-Kuo Liu, "New Drives for Regional Security Cooperation in Asia: Crisis, Tensions, Challenges, and Strategic Shift," (Institute of International Relations, National Chengchi University); available from <http://www.fics.org.tw/eastasia/05.pdf>; Internet; accessed 30 November 2005.

⁵⁵ Miller, 5.

⁵⁶ Wang, 47.

⁵⁷ Hersutanto, 4.

⁵⁸ Abdullah Ahmad Badawi, "Towards an Integrated East Asia Community," Keynote address to the Second East Asia Forum (Kuala Lumpur, 6 December 2004); available from <http://www.aseansec.org/16952.htm>; Internet; accessed 8 December 2005.

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² John Kerin, "East Asia Summit Just for Starters," *The Australian* (28 July 2005); available from <http://www.theaustralian.news.com.au/printpage/0,5942,16072708,00.html>; Internet; accessed 24 August 2005.

⁶³ Hersutanto, 24-7.

⁶⁴ See Seng Tan and Ralf Emmers, "An Agenda for the East Asia Summit: Thirty Recommendations for Regional Cooperation in East Asia," November 2005; available at http://www.ntu.edu.sg/idss/publications/conference_reports/EASProject.pdf-Mic; Internet; accessed 30 November 2005.

⁶⁵ Hersutanto, 16. Scobell and Wortzel, 6-7, list 57 international disputes within the region.

⁶⁶ Yomiuri Shimbun, "Japan, China Clash Over East Asia Summit," *Lexington Herald-Leader* (24 November 2005); available at <http://www.kentucky.com/mld/Kentucky/news/world/13251579.htm>; Internet; accessed 30 November 2005.

⁶⁷ Hersutanto, 18-20.

⁶⁸ Alexander Downer, Australian Minister for Foreign Affairs, *Asia Pacific Security: Practical Cooperation in an Asian Context*, address to the International Institute for Strategic Studies, London, 19 September 1996; available from http://www.dfat.gov.au/media/speeches/foreign/1996/iiss_asi.html; Internet; accessed 30 August 2005.

⁶⁹ Kusuma Snitwongse, 7-8.

⁷⁰ Ibid., 8.

⁷¹ Ibid., 9.

⁷² U.S. Department of State statistics; available from <http://www.state.gov>; Internet.

⁷³ Ralph Cossa, 72.

⁷⁴ Robert Ayson, "Regional Stability in the Asia-Pacific: Towards a Conceptual Understanding," *Asian Security* 1, no. 2 (April 2005): 197.

⁷⁵ George W. Bush, 27.

⁷⁶ R. Nicholas Burns, Under Secretary for Political Affairs, and Robert G. Joseph, Under Secretary for Arms Control and International Security, "*The U.S. and India: An Emerging Entente?*," Remarks as Prepared for the House International Relations Committee, Washington, D.C., 8 September 2005; available from <http://www.state.gov/p/us/rm/2005/52753.htm>; Internet; accessed 21 November 2005.

⁷⁷ Ibid. India's naval projects include "Project Seabird," which consists of the Karwar naval base, an air force station, a naval armament depot, and missile silos, all to be completed within the next five years.

⁷⁸ Ibid.

⁷⁹ Fukuyama and Ikenberry, 17.

⁸⁰ Dominik Heller, 124-5.

⁸¹ Axel Berkofsky, "China's Asian Ambitions," *Far Eastern Economic Review* 168, no. 7 (July/August 2005): 20.

⁸² See Seng Tan and Ralf Emmers, 9.

⁸³ Paul Kelly, "U.S. Seeks New Path to China," *The Australian*, 10 December 2005.

⁸⁴ Cossa, 74.

⁸⁵ John Miller, 13.